

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Scott P. Johnson  
Jane Light

**SUBJECT: APPROVAL TO ESTABLISH THE  
LIBRARY PROPERTY TAX LEVY  
FOR FISCAL YEAR 2005-2006**

**DATE:** August 2, 2005

Approved

*Kay Winer*

Date

*8/3/05*

Council District: CITY-WIDE

## REASON FOR ADDENDUM

In order to place the Library Parcel Tax on the 2005-06 Santa Clara County Property tax roll by the County's deadline of August 10, 2005.

## RECOMMENDATION

Adoption of a resolution approving the placement of the Library Parcel Tax on the 2005-06 Santa Clara County Property tax roll.

## BACKGROUND

In August 2004, the City Council adopted Resolution No. 72268, placing a Library Parcel Tax, as provided in the San José Library and Reading Protection Ordinance, on the November 2004 ballot, which was then approved by the required two-thirds vote. Library Parcel Tax will continue for ten years and provide funding to maintain and enhance City-wide library services and facilities. The parcel tax will be placed on the County tax roll and collected with property taxes.

In order for the County to place the Library Parcel Tax on the FY 2005-06 property tax bill it is necessary for the City Council to adopt a resolution approving the tax rate for FY 2005-06. The City must submit this tax rate to the County no later than August 10, 2005.

## ANALYSIS

The total amount of revenue generated by the Fiscal Year 2005-2006 proposed tax is approximately \$6,150,000. The initial tax rate remains unchanged from last year's Benefit Assessment District rate of \$25 per residential parcel with various adjustments for multifamily

residential, commercial and other uses. The complete tax rate schedule is attached on Exhibit A. In future years, the tax rate will be adjusted for inflation, capped at 3% annually.

The actual approval of the appropriation of funds has been established when the Council approved the City's Operating and Capital Budgets.

The Council resolution will direct the Director of Finance with the responsibility of overseeing the collection and receipt of the proceeds of the Library Parcel Tax. Approximately half of the Library Parcel Tax will be collected by December 10, 2005 and the balance will be collected by April 10, 2006, through the County Tax Collector's Office.

### **OUTCOME**

The Library Parcel Tax will provide funding to maintain and enhance City-wide library services and facilities through the acquisition of materials, development and delivery of homework and educational programs, and the repair, equipping, and staffing of Libraries.

### **PUBLIC OUTREACH**

San Jose voters approved the Library Parcel Tax in the November 2004 election by slightly more than the two-thirds required vote, committing this funding for ten years to maintain and enhance Libraries.

### **COORDINATION**

This resolution was prepared in cooperation with the Departments of Finance and Library, and the Offices of the City Attorney and the City Manager's Budget.

### **COST IMPLICATIONS**

The recommendations contained in this memorandum are in compliance with the Council-approved Budget Strategy. The enhancements to library services and facilities will be funded by the parcel tax.

### **BUDGET REFERENCE**

The Library Parcel Tax is appropriated in the 2005-2006 Proposed Operating Budget (Page XI-43) and the 2006-2010 Proposed Capital Improvement Program (Page V-394).

Honorable Mayor and City Council

August 2, 2005

Subject: Approval to Establish the Library Property Tax Levy for Fiscal Year 2005-5006

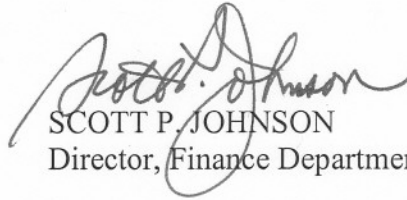
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**CEQA**

Not a project.



JANE LIGHT  
Director, Library Department



SCOTT P. JOHNSON  
Director, Finance Department

Res. No. 72268

**EXHIBIT A  
LIBRARY PARCEL TAX RATES**

**Land Use Classification**

**Tax Rate**

**Single-Family Parcels**

\$25.00/Parcel

**Condominium/Townhome Parcels**

\$25.00/Parcel

**Other Residential Parcels**

Up to 20 Units

\$9.37/Unit

21 to 50 Units

\$184.40 + \$6.25/Unit Greater than 20 Units

51 to 100 Units

\$374.90 + \$3.12/Unit Greater than 50 Units

Over 100 Units

\$530.90 + \$1.25/Unit Greater than 100 Units

**Multi-Family Residential**

Up to 20 Units

\$12.56/Unit

21 to 50 Units

\$251.20 + \$8.37/Unit Greater than 20 Units

51 to 100 Units

\$502.30 + \$4.18/Unit Greater than 50 Units

Over 100 Units

\$711.30 + \$1.67/Unit Greater than 100 Units

**Commercial Parcels**

Less than or equal to 0.5 acres

\$75.00/Acre

Greater than 0.5 acres to 1.0 acre

\$37.50 + \$50.00/Acre Greater than 0.50 Acres

Greater than 1.00 acre to 5.0 acres

\$62.50 + \$37.50/Acre Greater than 1.00 Acres

Greater than 5.00 acres to 10 acres

\$212.50 + \$25.00/Acre Greater than 5.00 Acres

Greater than 10 acres

\$337.50 + \$6.25/Acre Greater than 10.00 Acres

Minimum Tax per Parcel

\$12.50/Parcel

**Professional Parcels**

Less than or equal to 0.5 acres

\$112.50/Acre

Greater than 0.5 acres to 1.0 acre

\$56.25 + \$75.00/Acre Greater than 0.50 Acres

Greater than 1.00 acre to 5.0 acres

\$93.75 + \$56.25/Acre Greater than 1.00 Acres

Greater than 5.00 acres to 10 acres

\$318.75 + \$37.50/Acre Greater than 5.00 Acres

Greater than 10 acres

\$506.25 + \$9.37/Acre Greater than 10.00 Acres

Minimum Tax per Parcel

\$18.75/Parcel

Greater than 5.00 acres to 10 acres

\$106.25 + \$12.50/Acre Greater than 5.00 Acres

Greater than 10 acres

\$168.75 + \$3.12/Acre Greater than 10.00 Acres

Minimum Tax per Parcel

\$6.25/Parcel

**Vacant Parcels**

Less than or equal to 0.5 acres

\$9.36/Acre

Greater than 0.5 acres to 1.0 acre

\$4.68 + \$6.25/Acre Greater than 0.50 Acres

Greater than 1.00 acre to 5.0 acres

\$7.80 + \$4.68/Acre Greater than 1.00 Acres

Greater than 5.00 acres to 10 acres

\$26.52 + \$3.12/Acre Greater than 5.00 Acres

Greater than 10 acres

\$42.12 + \$0.78/Acre Greater than 10.00 Acres

Minimum Tax per Parcel

\$6.25/Parcel